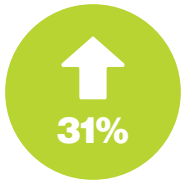


Rising Cost of Claims: Independent and Charter School Insights

United Educators (UE), like other insurance companies, has been affected by issues of social inflation and other societal factors that are drastically increasing the cost of claims. Educational institutions including independent and charter K-12 schools are facing rising jury awards across all liability lines. Ballooning defense costs and higher settlements and verdicts are big contributors to these increasing costs.

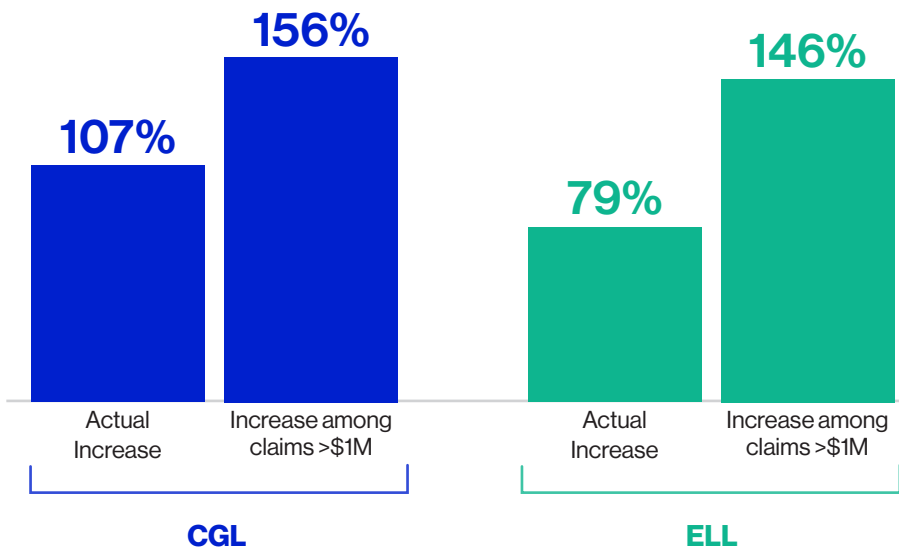
Independent and Charter School Insights



The loss ratio (which measures the portion of each premium dollar attributable to claims activity) for independent and charter school policies has **increased 31%** over four years, indicating that total loss cost trends are outpacing premium increases.

Independent and Charter Schools' Primary General Liability (CGL) and Educators Legal Liability (ELL) Claims

Average 2019 to 2023 Loss Trends



Discrimination Claims Rising

While independent schools nationwide have dealt with discrimination lawsuits for decades, the Department of Education has seen a significant increase in discrimination claims over the past two years, especially in the K-12 sphere.

Over the past five years, UE has experienced an increase in losses in race discrimination claims brought against independent schools, boarding and non-boarding. That trend is shown both in the aggregate of total dollars incurred and the average. This includes claims brought by employees and by students.